



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

September 17, 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: 
William T. Fujioka
Chief Executive Officer

A PLAN TO FUND AUDIT SERVICES TO ULTIMATELY REDUCE THE RISK OF COUNTY DEPARTMENTS' FISCAL NON-COMPLIANCE AND EMPLOYEES' OR CONTRACTORS' FRAUDULENT ACTIVITIES

On June 15, 2009, on the motion by Supervisor Knabe, the Chief Executive Office, in conjunction with the Auditor-Controller, was directed to report back within 60 days with a plan to fund services such as compliance audits, mandated reviews, countywide contract reviews, and fraud investigations to reduce the risk of County departments' fiscal noncompliance and employees' or contractors' fraudulent activities.

On August 12, 2009, we provided your Board with a status report on our progress and stated that we would come back with a final recommendation during the Supplemental Budget.

We are reporting back to your Board that in light of the County's current budget situation, our FY 2009-10 Supplemental Budget package included a recommendation of \$350,000 one-time funding in the Provisional Financing Uses for Board-ordered audits. We will continue to explore other possible funding options to pay the Auditor-Controller for their services, such as removing ongoing net County costs out of general fund departments as the County's budget situation improves.

If you have any questions, please contact me or your staff may contact Deputy Chief Executive Officer, Ellen Sandt at (213) 974-1186 or esandt@ceo.lacounty.gov.

WTF:ES
GS:LM:cg

c: Auditor-Controller
Executive Office of the Board of Supervisors

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